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# CBHDA

**Assembly Health Committee Hearing  
Planning for Behavioral Health Service Act 2025 & 2026 Milestones**

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# PROPOSITION 1: BEHAVIORAL HEALTH SERVICES ACT



Policy Change: Change in populations and services offered



Budget Changes: how the millionaire's tax funds are spent



Accountability: Increases and expands reporting requirements



Infrastructure: Establishes a new infrastructure bond \$6.4B

# PROPOSITION 1: POLICY SHIFT



→ Less flexibility as to where money goes

New responsibility to use funds to pay for housing

Emphasis on most severe & Evidence Based Practices (EBPs)

New ability to fund substance use disorders

Alignment with BH CONNECT Medicaid Waiver Initiatives



→ The state will now receive part of what counties used to receive

HCAI Workforce Initiative

CDPH Prevention Grants

# PROPOSITION 1: BUDGET SHIFTS

## → State Allocation Doubles

State funding goes from 5 to 10% of total funds

Reduces overall funding to counties

Funding for FSPs drops by 2%

## → Counties Must Spend According to New Rules

30% for Housing

Loss of Prevention

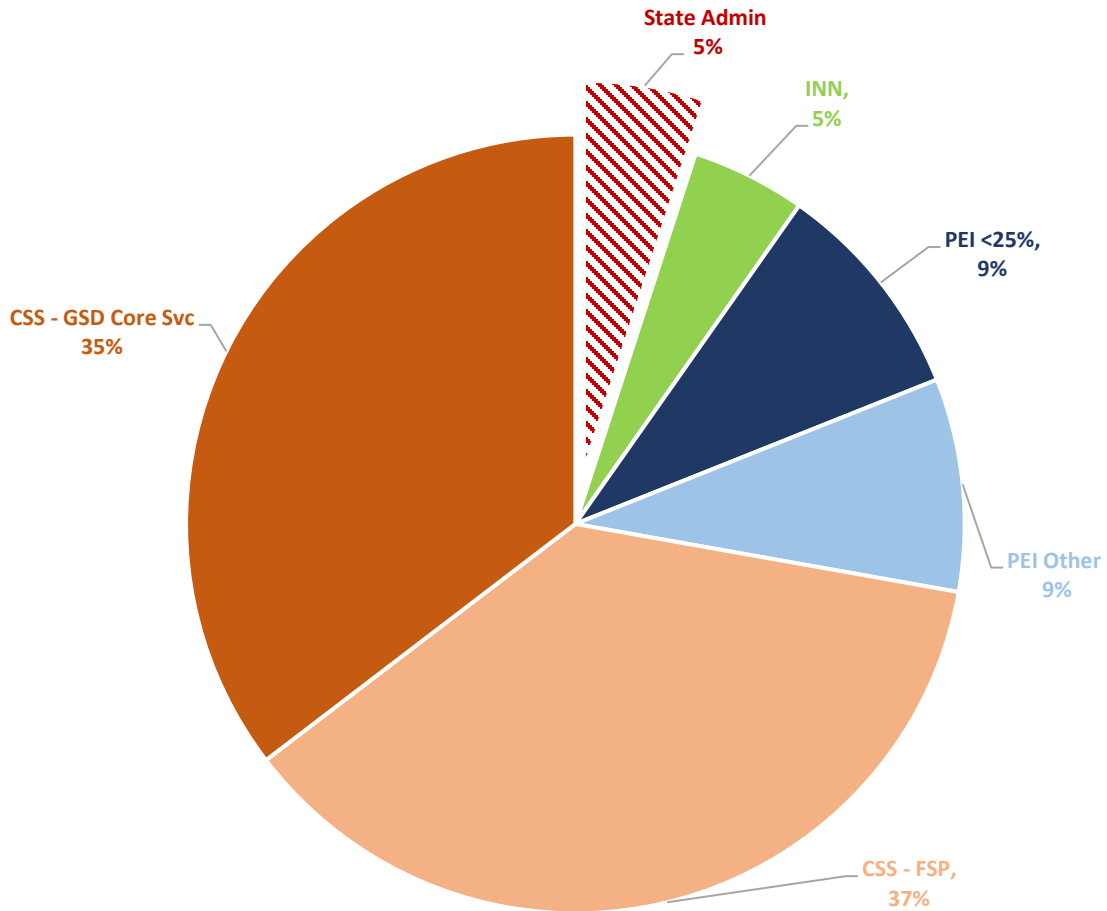
Prescribed EBPs

Medi-Cal and commercial billing

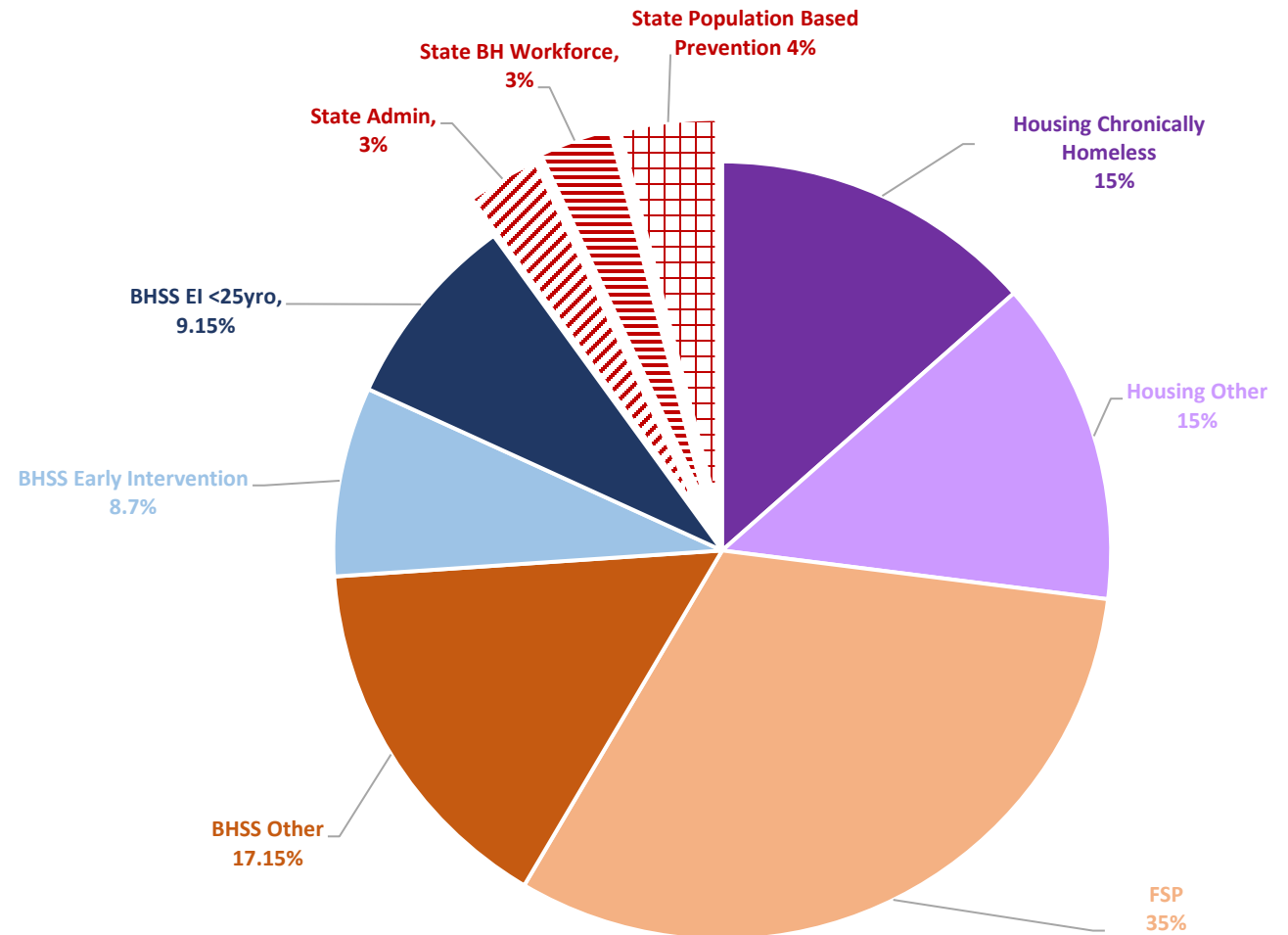
Reduced funding for crisis/outpatient

# MHSA vs. BHSA Funding Comparison with State Admin

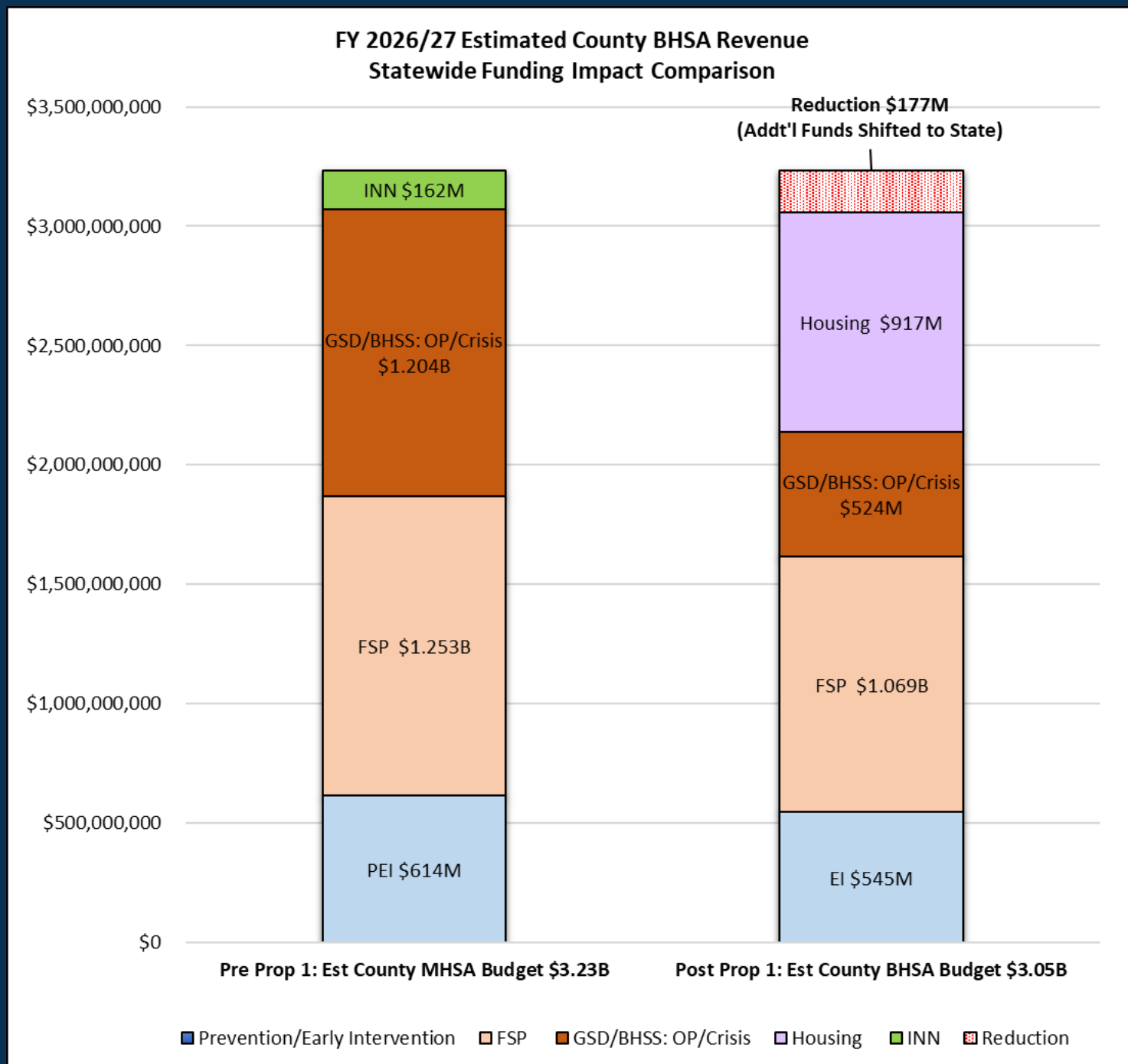
Current MHSA Funding Components Pre-Prop 1



BHSA Funding Post Prop 1



*Estimated impact to county funding in FY 26/27 when new BHSA allocations go live*



# PROPOSITION 1: ACCOUNTABILITY

**More and different stakeholders**

**Reporting across all funding, not just BHSA funds**

**New statewide outcomes accountability targets**

**Reporting across continuum of care**

**State audit**

**Sanctions authority for DHCS**

# PROPOSITION 1: ONE-TIME CAPITAL INFRASTRUCTURE INVESTMENTS

## **Mental Health and Substance Use Disorder Treatment Facilities: \$4.4 billion**

- Competitive grants for bricks & mortar investments distributed by DHCS as Bond Behavioral Health Continuum Infrastructure Program (BHCIP)
- \$1.5 billion of this will be for cities, counties, and tribal entities

## **Housing : \$2 billion**

- Competitive grants to build permanent supportive housing
- Distributed by Housing & Community Development (HCD) as Homekey+ and CalVet

***Total Prop 1 infrastructure investments: \$6.4 billion***





# Implementation Timeline

To successfully implement the population behavioral health framework, DHCS aims to 1) **foster collaboration** among Local Health Jurisdictions (LHJs), Managed Care Plans (MCPs), and counties; 2) **enhance data sharing**; and 3) **engage key partners**.

DHCS establishes **statewide Behavioral Health Goals** and identifies **population-level behavioral health measures** to guide planning across the delivery system.

Mod. 1 & 2 Release

**Early 2025**

MCPs will address the statewide Behavioral Health goals in the 2025 **PHM strategy deliverable**.

**Oct 2025**

**First County Integrated Plan Due (6.30.2026)**  
**Behavioral Health Services Act takes effect (7.1.2026)**

**June 2026**

**County Integrated Plan Annual Update Due (6.30.2027)**

**June 2027**

**January 2025 – June 2026:** Counties develop Integrated Plans, considering LHJ Community Health Assessments (CHAs) and Community Health Improvement Plans (CHIPs). MCPs also will be meaningfully participating in LHJs' CHAs/CHIPs during this period.